



ASX announcement

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## Intermoco on track to profitability in 2HFY10

- Intermoco expects to be operationally profitable by year end
  - Company to benefit from growth in Embedded Network System contracts
  - Cash receipts: \$2.9 million in 9 months to 31 March. Intermoco remains well funded with cash at bank of \$2.44 million and trade receivables of \$1.84M
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**Melbourne April 28 2010:** Utilities management provider, Intermoco Limited (ASX: INT), today announced in a consolidated statement that the company reported total invoiced sales from continuing operations of \$1.56 million for the period ended 31 March 2010.

Operating cash flow for the quarter was (\$1.207 million) due primarily to investment in equipment used in the installation of the company's Embedded Network Systems, and increased sales and marketing activity. Operating cash flow was lower than expected due to increased working capital consumption to fund the company's growth. There was a minor timing delay in customer receipts but \$1.1 million was received in April 2010. Intermoco reported cash at the end of the March quarter of \$2.437 million.

The Company has also included with the ASX Appendix 4C an unaudited profit and loss statement for the quarter, reporting a net operating loss of \$61,000 which keeps the company on track to be operationally profitable in the second half of FY10.

Intermoco Chief Executive Officer, Ian Kiddle, said: "During the March quarter we achieved a strong improvement in our performance, recording only a marginal loss of \$61,000. This is an encouraging sign that measures undertaken by the Board and senior management to improve the financial performance of the company are gaining traction.

"The quarter-on-quarter revenue growth is pleasing and it reflects the increasing volume of projects the company is now securing. We expect our recurring revenue will continue to grow.

"We continue to look at our cost base and following a relocation of offices during the quarter, and a brand consolidation that will allow Intermoco to be more visible amongst potential customers; we expect to see steady improvement in cash flow in the current quarter and into fiscal 2011.

"We remain on track to become profitable in the current financial year, and continue building our recurring revenue base. We have secured a range of sizeable contracts that will underpin the company's financial performance and our project pipeline continues to grow. We have witnessed particularly strong demand and sales performance of our Embedded Network Systems that saw the company secure \$3.35 million in contracts during the quarter with a range of new contracts under consideration," Mr Kiddle added.



## Operational overview

During the quarter Intermoco secured further contracts for the company's Embedded Network System including:

- \$3 million 5 year agreement with property developer, Hamton, for the supply and management of electricity, voice, communications and data services to a development in South Yarra, Melbourne.
- \$351,000 contract extension with Hickory Developments for the additional supply and installation of telephony and data equipment to large Melbourne based property development.

In addition, Intermoco secured multiple metering contracts during the period, including:

- Supply of over 500 radio end points to a large regional water authority
- Secured a 5-year contract as part of an ongoing strategic partnership with a major airport for the supply of communications metering technology and billing support
- Secured a contract to provide a new water metering and management system to two regional councils in NSW and Queensland

Intermoco also strengthened the board and senior management team during the quarter with the appointment of Ian Kiddle as Chief Executive Officer and Andrew Plympton as Chairman.

### For further information contact:

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### About Intermoco Limited

Intermoco is an Australian public company listed on the Australian Stock Exchange (ASX: INT) based in Melbourne. The company is a leading provider of water, energy voice and data management solutions with a focus on the provision of embedded networks. Intermoco (under the former Utiligy brand) provides a world class end-to-end internet-enabled energy metering and resource management solution to utilities, corporations, local councils and government departments to help them monitor, manage and minimise their consumption of electricity, gas and water.

### Intermoco Limited

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A large, light grey, stylized logo consisting of the letters "INT" in a bold, sans-serif font. The letters are spaced out and have a slightly shadowed or 3D effect.

# Appendix 4C

## Quarterly report for entities admitted on the basis of commitments

Introduced 31/3/2000. Amended 30/9/2001, 24/10/2005.

Name of entity

Intermoco Limited

ABN

16 006 908 701

Quarter ended ("current quarter")

31 March 2010

### Commentary

### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date ( 9 months) \$A'000
1.1 Receipts from customers	694	2,909
1.2 Payments for (a)staff costs (b)advertising and marketing (c)research and development	(433)	(1,392)
(d)leased assets	(6)	(18)
(e)other working capital	(1,439)	(4,460)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	42	44
1.5 Interest and other costs of finance paid	(65)	(203)
1.6 Income taxes paid		
1.7 Other (provide details if material)		
<b>Net operating cash flows</b>	<b>(1,207)</b>	<b>(3,120)</b>

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	Current quarter \$A'000	Year to date (9 months) \$A'000
1.8 Net operating cash flows (carried forward)	(1,207)	(3,120)
<b>1.9 Cash flows related to investing activities</b>		
Payment for acquisition of:		
(a) businesses (item 5)		
(b) equity investments		
(c) intellectual property		
(d) physical non-current assets	(136)	(236)
(e) other non-current assets		
<b>1.10 Proceeds from disposal of:</b>		
(a) businesses (item 5)		
(b) equity investments		
(c) intellectual property		
(d) physical non-current assets		
(e) other non-current assets		
1.11 Loans to other entities		
1.12 Loans repaid by other entities		
1.13 Other (provide details if material)		
	(136)	(236)
<b>Net investing cash flows</b>		
<b>1.14 Total operating and investing cash flows</b>	(1,343)	(3,356)
<b>Cash flows related to financing activities</b>		
1.15 Proceeds from issues of shares, options, etc.		5,420
1.16 Proceeds from sale of forfeited shares		
1.17 Proceeds from borrowings		
1.18 Repayment of borrowings		
1.19 Dividends paid		
1.20 Other (provide details if material)	(4)	(8)
	(4)	5,412
<b>Net financing cash flows</b>		
<b>Net increase (decrease) in cash held</b>	(1,347)	2,056
1.21 Cash at beginning of quarter/year to date	3,784	381
1.22 Exchange rate adjustments to item 1.20		
1.23 <b>Cash at end of quarter</b>	2,437	2,437

**Payments to directors of the entity and associates of the directors**  
**Payments to related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	(197)
1.25	Aggregate amount of loans to the parties included in item 1.11	

1.26 Explanation necessary for an understanding of the transactions

**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

None

2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

None

**Financing facilities available**

*Add notes as necessary for an understanding of the position. (See AASB 1026 paragraph 12.2).*

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities		
3.2	Credit standby arrangements		



## Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
4.1 Cash on hand and at bank	437	718
4.2 Deposits at call	2,000	3,066
4.3 Bank overdraft		
4.4 Other (provide details)		
<b>Total: cash at end of quarter (item 1.23)</b>	<b>2,437</b>	<b>3,784</b>

## Acquisitions and disposals of business entities

	Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1 Name of entity		
5.2 Place of incorporation or registration		
5.3 Consideration for acquisition or disposal		
5.4 Total net assets		
5.5 Nature of business		

## Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does give a true and fair view of the matters disclosed.

  
 Sign here: \_\_\_\_\_ Date: 28 April 2010  
 (Company secretary)  
 Print name: Oliver Carton





## Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 1026: Statement of Cash Flows* apply to this report except for the paragraphs of the Standard set out below.
  - 6.2 - reconciliation of cash flows arising from operating activities to operating profit or loss
  - 9.2 - itemised disclosure relating to acquisitions
  - 9.4 - itemised disclosure relating to disposals
  - 12.1(a) - policy for classification of cash items
  - 12.3 - disclosure of restrictions on use of cash
  - 13.1 - comparative information
3. **Accounting Standards.** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.



**INTERMOCO LIMITED AND ITS CONTROLLED ENTITIES CONSOLIDATED  
STATEMENT OF COMPREHENSIVE INCOME  
FOR THE QUARTER ENDED 31 MARCH 2010**

	<b>QUARTER ENDED MARCH 2010</b>
	<b>\$</b>
Revenue from continuing operations	<b>1,566,847</b>
Cost of goods sold	<b>(558,041)</b>
Employee benefits expense	<b>(433,094)</b>
Rent and outgoings	<b>(107,709)</b>
Finance costs	<b>(65,366)</b>
Other expenses	<b>(464,258)</b>
<b>Loss before income tax</b>	<b>(61,621)</b>
Income tax expense	<b>-</b>
Loss from continuing operations after income tax	<b>(61,621)</b>
Loss from discontinued operations after income tax	<b>-</b>
Licence fees (earned as part of sale of business)	<b>-</b>
<b>Net loss for the period</b>	<b>(61,621)</b>
<b>Other Comprehensive Income</b>	<b>-</b>
<b>Total Comprehensive Loss for the period</b>	<b>(61,621)</b>







**INTERMOCO LIMITED AND ITS CONTROLLED ENTITIES  
CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2010**

	31 Mar 2010	31 Dec 2009
	\$	\$
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	2,436,509	3,784,050
Trade and other receivables	1,844,525	1,017,752
Inventories	646,441	590,432
<b>TOTAL CURRENT ASSETS</b>	<b>4,927,475</b>	<b>5,392,234</b>
<b>NON-CURRENT ASSETS</b>		
Available for sale financial assets	2,220,000	2,220,000
Property, plant and equipment	553,338	417,078
Goodwill	2,158,770	2,158,770
<b>TOTAL NON-CURRENT ASSETS</b>	<b>4,932,108</b>	<b>4,795,848</b>
<b>TOTAL ASSETS</b>	<b>9,859,583</b>	<b>10,188,082</b>
<b>CURRENT LIABILITIES</b>		
Trade and other payables	939,948	1,189,522
Financial liabilities	120,338	124,249
Provisions	130,001	143,394
<b>TOTAL CURRENT LIABILITIES</b>	<b>1,190,287</b>	<b>1,457,165</b>
<b>NON-CURRENT LIABILITIES</b>		
Financial liabilities	2,100,000	2,100,000
Provisions	35,296	35,296
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>2,135,296</b>	<b>2,135,296</b>
<b>TOTAL LIABILITIES</b>	<b>3,325,583</b>	<b>3,592,461</b>
<b>NET ASSETS</b>	<b>6,534,000</b>	<b>6,595,621</b>
<b>EQUITY</b>		
Share capital	134,657,680	134,657,680
Reserves	945,425	945,425
Accumulated losses	(129,069,105)	(129,007,484)
<b>TOTAL EQUITY</b>	<b>6,534,000</b>	<b>6,595,621</b>

